

14 September 1976

MEMORANDUM FOR THE RECORD

SUBJECT: Coordination Group Meeting, 13 September 1976 --  
[redacted] Chairing

1. The Group met to consider two papers -- one by [redacted] of OLC and one by the IC Staff (attached). Combined, these papers were to respond to a request from the Subcommittee on Charters and Guidelines of the Senate Select Committee on Intelligence (SSCI), a request for a list of principles the Agency believed should guide the SSCI's review of the charters of the member organizations of the Intelligence Community.

2. The first issue to arise had to do with the specificity desirable in such a paper -- specifically, whether authorization for a contingency fund should be mentioned. The consensus seemed to be that a paper on principles should not be that specific.

3. Next, I pointed out that the proposal for revising the National Security Act of 1947 either did not give the Director responsibility for producing national intelligence, or else it required him to delegate the responsibility to the IC Staff. This point was never discussed; we immediately got into a debate over whether any CIA responsibilities should be transferred to the DCI, the Director already having full authority as head of the Agency to delegate the Agency's responsibilities as he sees fit.

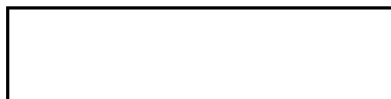
4. The intent of those on both sides of the question was as follows: the DDO and IG were the most vociferous in arguing that to take any authorities of the CIA, to give them to the Director, and then to determine how he must delegate them, would needlessly and unwisely reduce the flexibility of future Directors.

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The IG later modified its position -- it became willing to transfer Agency responsibilities to the Director, but not to define how he must delegate them.

5. The Office of Legislative Counsel argued that, if we do not take the lead to conform legislation to Executive Order 11905, the Congress will do it piecemeal and improperly.

6. This debate was never resolved. The OLC representative fell back to the position that, for immediate purposes, we should inform the Subcommittee that we are interested in statutes to provide for two Deputy Directors, for powers to protect intelligence sources and methods, and for general adjustments in Central Intelligence authorities (see attachment, page 2). It was left up in the air whether a list of principles will ever be provided to the Subcommittee (Chief of Staff, Elliot Maxwell).



Executive Officer  
National Intelligence

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Attachments  
A/S

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## ROUTING AND RECORD SHEET

Approved For Release 2004/12/21 : CIA-RDP91M00696R000100090010-6

SUBJECT: (Optional)

FROM:

[Redacted]

Office of Legislative Counsel

EXTENSION

6136

9227

NO.

DATE

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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In a 10 August letter to the Director, the Subcommittee on Charters and Guidelines of the Senate Select Committee on Intelligence requested "a list of (1) changes which you believe are desirable in the extent and nature of the authority of the Intelligence Community agencies and departments; and (2) principles which you and your staff believe should be embodied in charters for these departments and agencies." The letter stated that the list would help the Subcommittee begin a cooperative dialogue on charters.

At this stage we think it advisable to give only a very general response to the Subcommittee, and this is understood and expected by the Subcommittee staff. IC staff, OGC and OLC are developing a three-part list. Attached is a draft of the first two parts dealing with the National Security Act and the Central Intelligence Agency Act.

~~Please forward to OLC with your comments by noon tomorrow 2 September~~

[Redacted]  
Office of Legislative Counsel

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## PRINCIPLES REGARDING REVISION OF INTELLIGENCE AGENCY CHARTERS

### I. National Security Act of 1947

Priority should be given to amending the National Security Act of 1947. The Act should remain general in nature--establishing the office of Director of Central Intelligence, the Intelligence Community staff, and the Central Intelligence Agency; setting forth the basic purposes of each of these instrumentalities; and defining their relationship to each other and to the Intelligence Community.

The following points should be embodied in a revised National Security Act:

A. Definition of the Intelligence Community Responsibilities of the Director of Central Intelligence. The intelligence coordination authorities now conferred on CIA under Section 102(d)(1) and (2) should be transferred to the DCI and expanded to include certain Community supervisory authorities set forth in Executive Order 11905.

B. Creation of an Independent Intelligence Community Staff.  
An Intelligence Community staff should be created under the DCI to assist him with his Community responsibilities. The staff should be operationally independent of the Central Intelligence Agency.

C. Creation of Two Statutory Deputy Directors of Central

*okay*  
Intelligence. There should be established two Deputy Directors of Central Intelligence--one to assist the DCI in Intelligence Community matters and the other to assist him with Central Intelligence Agency matters.

D. Inclusion of Covert Action Reporting Provision. Section 662 of the Foreign Assistance Act should be repealed. A more manageable reporting provision should be included in the National Security Act as a proviso to Section 102(d)(5).

*okay*  
E. Protection of Intelligence Sources and Methods. The responsibility of the Director of Central Intelligence must be buttressed by new provisions in the National Security Act which:  
(1) contain the legislative proposal to protect intelligence sources and methods recommended by the President on 19 February 1976; and (2) authorize the Director to devise procedures and issue regulations to protect intelligence information.

*okay*  
F. General Adjustments in Central Intelligence Agency Authorities. Several changes in the existing language of the National Security Act are desirable to clarify Agency authorities:  
(1) insert the word "foreign" before "intelligence" and include counterintelligence activities abroad as an Agency responsibility;  
(2) clarify the proviso which prohibits police and internal-security functions by specifically authorizing certain domestic activities which must be undertaken in support of foreign intelligence operations; and (3) expand Agency "correlation and evaluation" authority in Section 102(d)(3) by including "collection" and "production" authority, [with specific reference to signals intelligence and clandestine collection].

## II. Central Intelligence Agency Act of 1949

The Central Intelligence Agency is a national intelligence organization, highly specialized in its work, and not an integral part of any larger governmental organization. It requires a legislative charter of its own. The Central Intelligence Agency Act of 1949 should provide the authorities necessary for the Agency to perform its mission as defined in the National Security Act of 1947. Chief among these are the special funding and expenditure authorities now in sections 5 and 8 of the Act. These are absolutely essential to the successful conduct of the Agency's mission and must be retained intact in any future revision of the Act. In addition, these authorities should be supplemented by a more explicit provision for the contingent fund.

In furtherance of its foreign intelligence operations, the Central Intelligence Agency must conduct certain activities within the United States or involving U.S. citizens. Any future revision of the Central Intelligence Agency Act must continue to authorize such activities. These include, but are not limited to, the domestic collection of foreign intelligence; the provision of information resulting from foreign intelligence activities to other appropriate departments and agencies; the protection of Agency installations, activities, information and personnel; [REDACTED]

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[REDACTED] They also include necessary administrative, technical and support activities, including procurement, maintenance and transportation; communications and data processing; recruitment and training; development of cover and proprietary

arrangements; and entering into contracts and arrangements with appropriate private companies and institutions to provide research, analytical and developmental services. Existing authorization for certain of these activities, e.g. cover and documentation, are in some respects deficient and should be supplemented in any future revision.

While the Central Intelligence Agency Act should remain positive in tone, it may be desirable to place certain specific restrictions on Agency activity where necessary to safeguard the constitutional rights of U.S. citizens. Such restrictions must be carefully drafted to avoid precluding the fully appropriate domestic activities discussed above. Otherwise, policy limitations regarding the conduct of foreign intelligence operations should not be contained in statute, but should be left to more flexible instruments such as Executive orders and directives.

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United States Senate

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WILLIAM D. MILLER, STAFF DIRECTOR

SELECT COMMITTEE ON INTELLIGENCE

(PURSUANT TO S. RES. 400, 94TH CONGRESS)

WASHINGTON, D.C. 20510

August 10, 1976

IN REPLY PLEASE  
REFER TO R# 4290

Mr. George Bush  
Director of Central Intelligence  
Central Intelligence Agency  
Langley, Virginia

Dear Director Bush:

As you know the Senate has established, by the passage of S. Res. 400 of the 94th Congress, the Senate Select Committee on Intelligence. Section 12(a)(2) of S. Res. 400 provides that the Senate Select Committee shall study the "extent and nature of the authority of the departments and agencies of the Executive branch to engage in intelligence activities and the desirability of developing charters for each intelligence agency or department."

As Chairman and Vice Chairman of the Senate Select Committee's Subcommittee on Charters and Guidelines, we are writing to ask for your assistance in this study. During the months ahead the Subcommittee and the Subcommittee's staff will meet with representatives of all agencies and departments which constitute the United States Intelligence Community. These meetings will be to determine the authority of the various departments and agencies, to examine the potential effects of proposed organizational changes on the accomplishment of the vital intelligence mission of the United States, and to discuss new or revised charters for the Intelligence Community agencies and departments.

In order to accomplish our mission under S. Res. 400, we are requesting that you designate one or more members of your staff who will be able to meet regularly with the Subcommittee or the Subcommittee's staff to discuss charter issues as they relate to Intelligence Community

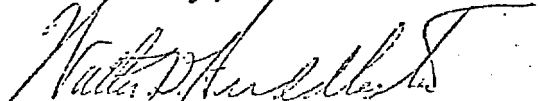


Mr. George Bush  
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agencies and departments under your jurisdiction and notify the Subcommittee of your choice of designees. We would also appreciate it if you, or your staff, could within the next three weeks, draw up a list of (1) changes which you believe are desirable in the extent and nature of the authority of the Intelligence Community agencies and departments under your jurisdiction; and (2) principles which you and your staff believe should be embodied in charters for these departments or agencies. The lists of changes and principles will allow the Subcommittee to begin, with you, a cooperative dialogue designed to strengthen America's Intelligence Community and to insure that it operates in accordance with the laws of the United States.

There has been no similarly systematic congressional review of the extent and nature of the authority of the agencies and departments which make up the United States Intelligence Community since the passage of the National Security Act of 1947. The study which the Subcommittee on Charters and Guidelines is undertaking carries with it enormous responsibility. The end product of the study may be landmark legislation in this area. We look forward to your assistance in this challenging venture.

Sincerely,



Walter D. Huddleston  
Chairman, Subcommittee on  
Charters and Guidelines



Mark O. Hatfield  
Vice Chairman, Subcommittee  
on Charters and Guidelines